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DONNA COLEMAN GREGG (202) 429-7260

February 8, 1994

Mr. William F. Caton Secretary Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

Re: Notification of Permitted Written Ex Parte
Presentation in MM Docket Nos. 92-266 & 93-21

Dear Mr. Caton:

Blade Communications, Inc., by their attorneys and pursuant to Section 1.1206(a)(1) of the Commission's rules, hereby submits two copies of this memorandum regarding a permitted <u>ex parte</u> presentation to Commission officials regarding MM Docket Nos. 96-266 & 93-215.

Today at 3:30 p.m., Allan J. Block, Vice Chairman of Blade Communications, Inc., and David G. Huey, President of Buckeye Cablevision, Inc., along with Donna C. Gregg of Wiley, Rein & Fielding and U.S. Representative Marcy Kaptur, met with FCC Chairman Reed Hundt and Merrill Speigel, Special Assistant to the Chairman. The discussion related to issues raised in the above-named company pleadings in the cable rate regulation dockets cited above.

Kindly direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Donna C. Gregg

DCG/ddl

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## **CABLE COMPARISON**

Cable Company	Monthly Charge	Number of Channels
Major Cities in Ohio		
Warner - Akron	\$22.58	32
Warner - Cincinnati	27.52	41
Continental - Dayton	21.95	33
North Coast - Cleveland	22.85	49
Coaxial - Columbus	26.20	38
Warner - Columbus	25.90	28
Cablevision/Cleveland Area	22.45	31
AVERAGE OF MAJOR OHIO CITIES	\$24.21	36
THE CABLESYSTEM, TOLEDO Effective 3/1/93	\$20.95	42
•		
Nearby Suburban Systems		
Triax - Waterville, Northwood	\$23.09	41
Phoenix - Bedford Township	21.23	38
Cablevision of Midwest - Walbridge	20.95	30

## The CableSystem Comparison Buckeye Cablevision, Inc., Toledo, Ohio

## Rate History

Year	Standard Rate	Active Channels
1986	\$11.95	23
1987	\$11.95	29
1988	\$14.50	35
1989	\$14.50	3 <b>8</b>
1990	<b>\$</b> 16.95	40
1991	\$18.95	42
1992	\$19.95	42
1993	\$20.95	42

		Pre-Reg	
Comparison	<u>1986</u>	<u>1993</u>	% increase
Rates-Standard Service	\$11.95	\$20.95	75.3%
Channels	23	42	82.6%
Programming Costs	\$965,080	\$4,672,040	384.1%
Phone Hours Available/Week	54 hours	168 hours	211.1%
Number of Customers	103,704	119,834	15.5%

## THE CABLESYSTEM COMMITTED TO SERVING YOU

No one can be perfect. But, at The CableSystem, we strive to be very good in our service to customers, because that's what you are entitled to and deserve. As the managing executives of The CableSystem, we accept responsibility for ensuring the quality of service. If you experience any problems with The CableSystem or its people which are not resolved through the normal channels of our customer relations department at 866-9800, please write or call us (see below).

Our people are committed to offering the very best customer service. Telephone representatives answer over 600,000 phone calls annually, staffing the phones 24 hours a day, 365 days a year. Technicians make 45,000 service repair calls annually and are available 7 days a week, 365 days a year. System outages due to lightning or wind damage and electrical failures are responded to immediately day or night. Our people work hard to meet your expectations and earn your loyalty.

In addition to our commitment to you, the Federal Communications Commission has recently issued new regulations in which technical standards have been implemented. One of the regulations requires The CableSystem to inform you, our customer, who you may contact in your city, village, or township if you are dissatisfied with The CableSystem's handling of a signal quality problem which you have brought to our attention. Listed on the reverse side is the address and telephone number of the appropriate official for each city, village, or township The CableSystem serves.

Once again, no one can be perfect, but we pledge to you we will not be satisfied with the status quo. We will constantly strive to improve our service to meet your expectations.

The true measure of success is not in our minds, but in the minds of customers served.

Sincerely,

Allan Block

allan Block

Chairman of The Board

541 Superior Street

Toledo, Ohio 43660

Business:

245-6035

Home:

242-6739

David G. Huey

President and General Manager

5566 Southwyck Boulevard Toledo. Ohio 43614

Business:

866-5802

Home:

885-2773



## GOVERNMENTAL CONTACT LIST

## Toledo

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### Sylvania

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#### Ottawa Hills

Marc Thompson, Manager Village of Ottawa Hills 2125 Richards Rd. Toledo, Ohio 43606

## Holland

Councilman Lee Irons
Village of Holland
1245 Clarion Äve., P.O. Box 249
Holland, Ohio 43528

## Maumee

Steve Pauken, Mayor City of Maumee 110 East Dudley St. Maumee, Ohio 43537

## Perrysburg

R.D. Cotner, Mayor City of Perrysburg 210 W. Indiana Ave. Perrysburg, Ohio 43881

## Rossford

Matt Kolb, Sr., Law Director City of Rossford 133 Osborne St. Rossford, Ohio 43460

## Oregon

Michael Dansack, Mayor City of Oregon 5330 Seaman Rd. Oregon, Ohio 43616

### Harbor View

Jack Stieben, Mayor Village of Harbor View 127 Lakeview Dr. Harbor View, Ohio 43434

### Washington Township

Arthur Richter, Chairman Washington Twp. Trustees P.O. Box 5133 Toledo, Ohio 43611-0130

## Sylvania Township

Lucille Laskey, Chairman Sylvania Twp. Trustees 4927 Holland-Sylvania Rd. Sylvania, Ohio 43560

### Springfield Township

Loretta Keller, Clerk Springfield Township Hall 7617 Angola Rd. Holland, Ohio 43528

## Spencer Township

Thomas Soss, Chairman Spencer Twp. Trustees 630 N. Mielke Rd., P.O. Box 28 Holland, Ohio 43528

## Monclova Township

Sharon Bucher, Secretary
Monclova Twp. Admin. Bldg.
Monclova and Albon Roads
Monclova, Ohio 43542

## Perrysburg Township

Gerald Henry, Chairman Perrysburg Twp. Trustees P.O. Box 729 Perrysburg, Ohio 43551

## Middleton Township

Fred Getz, Chairman Middleton Twp. Trustees Township Hall - P.O. Box 206 Haskins, Ohio 43525

## Erie Township, Michigan

Margaret Dusseau, Supervisor Erie Township 2060 Manhattan St., P.O. Box 187 Erie, Michigan 48133

## Cable Television Consumer Protection and Competition Act of 1992

## FCC-Mandated Customer Service Standards All standards are effective July 1, 1993

## FCC Standard Is:

## The CableSystem ™ Does:

- For us to maintain a local toll-free or collect access line 24 hours a day, 7 days a week. During normal business hours (hours during which most similar businesses are open to serve customers, and must include evening hours at least one night per week and/or some weekend hours), the phones must be staffed by trained company representatives. An answering service or machine may be used at other times, but if so, inquiries received after hours must be responded to the next business day.
- e Already provide a toll-free (collect to about 225 who live on the Curtice-Elmore exchange) 24 hours a day 365 days a year. We staff the phones full time with trained customer service representatives who are able to answer immediately most questions posed by callers. We DO NOT use an answering service. An answering machine answers phones when all CRRs are occupied on other calls. The average wait time of all calls is 13 seconds.
- For a trained customer service representative to be on the phone within 30 seconds after a connection is made, and that if the call is transferred, the transfer must be completed within 30 seconds. These standards must be met 90 per cent of the time, and stipulate that the phones will be busy less than three per cent of the time.
- With proper training of personnel and thus offering one-stop shopping for customers, have a policy NOT to transfer phone calls. Calls are transferred only if the customer asks for a specific CRR by name or for a supervisor. In 1993, our telephone answering standards have been met 96 per cent of the time, with an average hold time of 13 seconds. Seventy-four per cent of the calls are answered live, and the phones were busy 0 per cent of the time.
- For the customer service center and bill payment locations to be open at least during normal business hours (see above) and to be conveniently located.
- Keep our lobby at 5566 Southwyck Blvd. open from 8 a.m. to 7 p.m. Mondays through Fridays and from 8 a.m. to 4 p.m. Saturdays. The DeVeaux branch office, in the Food Town Plus store at Sylvania Avenue and Douglas Road, and the Oregon branch office, in the Food Town Plus store at 3010 Navarre Ave., are open from 1 to 7 p.m. seven days a week. Through research, we have found these hours to be most useful and convenient to our customers. In addition, bills may be paid at 18 Huntington Bank locations or at the payment drop boxes at all three offices.
- That standard installations (up to 125 feet from existing plant) will be performed within seven business days after the order is placed.
- Perform installations (up to 150 feet from existing plant) the next day if the order is placed by 5 p.m. All others are completed the following day unless the customer wishes a later schedule.
- "Appointment windows" will be either a specific time or, at maximum, a four-hour time block during normal business hours.
- Offer one-hour appointment windows for installations and two-hour windows for service calls. Installations are scheduled from 8 a.m. to 9 p.m. Mondays through Fridays and from 8 a.m. to 8 p.m. Saturdays. Service calls are scheduled from 8 a.m. to 9 p.m. Mondays through Thursdays, from 8 a.m. to 7 p.m. Fridays, from 8 a.m. to 5:30 p.m. Saturdays, and from 10:30 a.m. to 7 p.m. Sundays. We also offer, for a fee, exact-time appointments.
- That we begin working on service interruptions within 24 hours after the interruption becomes known, and that we begin working to correct other service problems the next business day after notification of the problem.
- Resolve all service-interruption problems within two hours, anytime day or night, sometimes with temporary solutions. We then have ALL service interruptions cleared up with permanent repairs within 24 hours.

## FCC Standard Is:

## The CableSystem Does:

- That we cannot cancel an appointment after the close of business on the day before the appointment; that if our field crews are unable to keep an appointment window, the customer must be contacted and another appointment, convenient to the customer, be scheduled. No penalty for non-compliance, in the form of credit or free installation, is spelled out
- NOT ever cancel appointments. If we cannot meet
  the scheduled appointment window, we contact the
  customer and reschedule to the customer's
  convenience, preferably yet that day. Technicians are
  authorized to award credit to the customer in the field if
  we miss the appointment window.
- That we communicate with our customers at least annually concerning products and services, prices and options, installation and service policies, instructions on use of services and equipment, channel positions, and billing and complaint procedures.
- Routinely inform our customers of any such changes, and that practice will continue to conform to the new law. In addition, each year a letter goes to all customers over the signatures of both the president and chairman of the board listing both their home telephone numbers, and asking the customer to call either at home if the subscriber has a problem which has not been resolved through normal channels.
- For us to notify customers at least 30 days in advance of any changes in rates, programming, or channel positions.
- Mailings in advance of any such changes. In addition, we also notify government officials of any changes which might result in questions to them from their constituents.
- That our bills be clear, concise, understandable, and fully itemized. In case of a billing dispute, we must respond to a written complaint within 30 days.
- Send out clear, concise, understandable, and itemized statements, and has for some time. We act upon any dispute upon receipt of a written query. If the issue can be resolved immediately, it is and the customers is called or sent a letter that same day. If the dispute will require extensive research, the customer immediately is sent a letter to that effect, then is notified immediately upon resolution, usually within two weeks.
- That we issue refund checks no later than (1) the customer's next billing cycle following resolution of the request, or (2) 30 days, whichever is earlier, or the return of the equipment supplied, in the event of termination of service.
- Issue refund checks automatically twice monthly or upon request from a customer. In addition, we empower all customer relations representatives to authorize credits or refunds, eliminating the need for the customer to talk to several levels of supervisors.



August, 1993

Dear Customer,

We at The CableSystem have pledged to keep our subscribers fully informed about developments related to implementation of the Cable Television Consumer Protection and Competition Act of 1992 and to communicate at the earliest time any necessary changes resulting from FCC implementation of the new law. The purpose of this letter is to tell you about complex changes in your bill.

Some bills will go up while others go down, but overall, under the new FCC regulations, our average customer bill will decrease. Customers with additional outlets will see the greatest savings.

The FCC rate regulations are scheduled to go into effect on Sept. 1, and on that date the following monthly rate changes will be implemented:

- 1. Additional outlets will go from \$2.50 to no charge!
- II. CATV Basic will drop from \$11.95 to \$9.78.
- III. A separate home-wiring maintenance fee of 31 cents per home, which had been a part of the service fee, now will be charged separately.
- IV. Satellite Services will increase from \$9 to \$10.76.
- V. The remote control service charge of \$3 will be changed to a remote rental charge of 29 cents and a converter rental charge of \$2.54 plus tax.
- VI. The charge for an additional converter will drop from \$8.95 to \$2.54 plus tax.
- VII. There will be a new charge of \$4.95 each for duplication of premium service(s) on the second and subsequent converters. Premium service prices will be unaffected.

For complete explanations of each of these and other price changes, please read the accompanying explanation sheets. Each of these changes is numbered the same on the yellow sheet. If you still have questions, please call our customer relations representatives at **866-9800**. We answer our phones 24 hours a day. Please be understanding at this time, as a heavy volume of telephone calls about this confusing issue might result in temporary delays in telephone response.

What is our feeling at The CableSystem about the price changes? Obviously, we don't like them because they create confusion among all our customers -- and they will reduce our total revenue. Furthermore, the legislation essentially limits future rate increases to the Gross National Product-Price Index, leaving nothing for investment in new technology or expansion.

We feel our rates over the years have been fair. Every other major city in the state has had higher rates. We have always tried to practice restraint and set reasonable rates. We are making our very best effort to comply with the law and to make its impact on you as minimal as possible, while offering you all the advantages due you under the regulations.

Sincerely,

Allan Block Chairman of the Board

541 Superior Street Toledo, Ohio 43660 Business: 245-6035

Home: 242-6739

allan Block.

David G. Huey

President and General Manager

5566 Southwyck Boulevard Toledo. Ohio 43614

Business: 866-5802 Home: 885-2773 The Cable Television Consumer Protection and Competition Act of 1992 requires us to notify customers of changes in channel line-up at least 30 days before they occur. Another portion of that law, the retransmission-consent section, stipulates that we must have written permission from the local broadcast television stations to continue carrying them after Oct. 6.

We have written agreements with the four Toledo stations (WTOL Ch 11, WTVG Ch. 13, WNWO Ch. 24, and WUPW Ch. 36) to extend that deadline to Dec. 31, 1993, so those will remain on at least through 1993. We are negotiating with the four Detroit stations (WJBK Ch. 2, WDIV Ch. 4, WXYZ Ch. 7, and WKBD Ch. 50), but have no agreements, so any one or all might withhold permission for us to carry them after Oct. 6.

If so, under the law we have no recourse but to take off the system any who refuse to permit us to carry them. We continue to negotiate with them, and hope they will not withhold permission, just as we hope the Toledo stations do not withhold permission in December, but in order to comply with the new law, we must send you this notification.

We will continue to carry the public broadcast stations, WGTE-TV 30, and WBGU-TV 27, under provisions of the Cable Act.

Compliance with the retransmission-consent portion of the law will render it prohibitively expensive and operationally complicated to continue to carry the FM stations on the A cable. Thus, effective Oct. 6, we no longer will provide this service. We regret that we must take this step.

# Comparison of Old, New Rates Under The Cable Television Consumer Protection and Competition Act of 1992

	Item or Service Category	Old Rate	New Rate
I.	Additional outlet 1 (AO) with no converter	\$2.50	\$0.00
	Total Monthly Fee: AO, no converter	\$2,50	<u>\$0.00</u>
Π.	CATV Basic <sup>2</sup> (See notes on adjacent sheet) Franchise Fee <sup>3</sup>	\$11.95 Included in Above	<b>\$</b> 9.78 .29
Ш.	Home Wiring Maintenance Fee 4	Included in Above	<b>\$</b> .31
	Total Monthly Fee: CATV Basic	<b>\$</b> 11.96	\$10.38
IV.	CATV Basic Satellite Services (not available separately) <sup>5</sup> Franchise Fee <sup>3</sup> Home Wiring Maintenance Fee <sup>4</sup>	\$11.95 \$9.00 Included In Above Included in Above	\$9.78 \$10.76 \$ .62 \$.31
	Total Monthly Service Fee: CATV/Setalitie S	<u>\$20.95</u>	<b>\$</b> 21.47
V.	Remote Control <sup>6</sup> Tocom Converter <sup>6</sup> Ohio Sales Tax <sup>7</sup>	\$3.00 Included in Above No Charge	\$ .29 \$2.54 \$ .18
	Total Monthly Fee: converter, remote	\$3.00	<b>\$3.01</b>
	Tocom Converter, no remote <sup>8</sup> Ohio Sales Tax <sup>7</sup>	No Charge No Charge	\$2.5 <b>4</b> \$ .16
	Total Monthly Fee: converter, no remote	No Charge	\$2.70
	Remote function only, use own remote Tocom Converter <sup>6</sup> Ohio Sales Tax <sup>7</sup>	\$3.00 Included in Above No Charge	No Charge \$2.54 \$ .16
	Total Monthly Fee: converter, remote function	m \$3.00	\$2.70
VI.	Additional outlet, converter and remote Additional outlet <sup>1</sup> Converter <sup>6</sup> Remote <sup>6</sup> Ohio Sales Tax <sup>7</sup>	\$8.98 Included in Above Included in Above \$3.00 No Charge	\$0.00 \$2.54 \$ .29 \$ .18
	Total Monthly Fee: AO. converter, remote	<u>\$11.95</u>	<b>\$</b> 3.01
VII.	Additional Outlet 1	\$8.95 Included in Above Included in Above Included in Above No Charge	\$2.54 \$4.95 \$0.00 \$ .15 \$ .16
	Total Monthly Fee: AO with premium service	\$8.96	\$7.80

#### RESIDENTIAL RATE CARD - EFFECTIVE 9-1-93

			Installation	Monthly
Standard Service				
Outside Connection			\$17.85	\$20,54
Inside Wiring-each outlet			17.85	20.54
-CATV Basic			elen fy	
Outside Connection			30.85	9.78
inside Wringreach outlet			17.85	9.78
-Satelite Channels			•	10.76
Home Wiring Mainfenance			0	0.31
Standard Service-Apartment Installation			11.90	20.54
Reconnect-non-pay disconnect			27.85	20.54
Non-payment Collection Fee			15.00	
Equipment Rental: (State sales tax will be added):				
Tocom Canverter				2.54
CableSystem Controller Remote				0.29
Additional Outlet-separate trip (Additional Outlet might requ	uire amplifiers.)		26.75	0
Outlet Relocation—of time of install			17.85	
Outlet Relocation-separate trip			26.75	
VCR KIT Hook-up			17.85	0
Prewire Charge-1st outlet			35.65	
-each additional outlet			17.85	
Wall Fish			17.85	
Picture in Picture—at firme of Install			17.85	
Picture in Picture-separate trip		to the second of the second of	26.75	
Extension Cable-picked up in tobby			11.85	
Extension Cable-delivered			20.00	
Exact Time install			15.00	The State
Miscellaneous trip to home			17.85	
Inside Wiring Repair Call-with maintenance agreement		3 <sup>#</sup> N	0	
-without maintenance agreement			25.00	
Bury Drop-customer option			35.65	
Returned Check Fee			10.00	
*not available separately				
impulse Entertainment (Monthly Guide Included)				
Impulser Installation	uhi Kali Ma		25.00	0
Impulser Movie	o wasana na na na ma		3,95	e
Impulse 800 Movie			4.95	
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Switch Services			5.00	
Monthly Charges	60 A 30 B 38B, Us	Teneral in a well-seed to the contract.		V (7)2122 19
"Showlime, PASS, Disney Channel				
-Movie Channel			교육자리 2 등 1877년 1988년 - 12 - 14	9.95
-нво				
-Premium Service Pass through on each additional cor	nverler			4.95
Peckaging Prices for Additional Sevinse VolueValor-Signature Sevice. Converter and Remote Rende.	suff El sweet faul	ng garagan dan <u>kabupatan dan s</u>	Tinggada gi Qerana ayaa <b>ahaa ahaa ka</b>	(39-14-14) <u>(21 1-22</u> -9)
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ValueVisionii-PASS not Disney Channel		TO 数4. A. M. SEAR 数学级 A. A		40.32
Volue Velon Paurellin both RASS & Deney Channel				
2 Premium Services				14.95
3 Premium Services				20.95
HBO not available in packages				

A payment of installation charges plus the first month of service and picture ID is required for all new subscribers of The CableSystem at the time of install.

50% discount on installation charges for Golden Buckeye card holders.

A franchise Fee is charged for CATV Basic, Safettle Channels, and Premium Services,

Prices apply only to normal installations within 150' of existing cable plant. Other conditions might require additional charges.



## **Explanatory Notes**

- The additional outlet charge has been a part of our fee structure since the founding of this company in 1966. We believe it has been fairly priced, and increases have not even kept pace with inflation. However, under the new FCC rules, it is not permissible to continue charging the additional outlet fee. Part of the cost of maintaining the system had been covered by the revenue generated by the additional outlet fee.
- <sup>2</sup> In order to comply with the guidelines established by the FCC, we have moved two channels from the Satellite Services to be included in the CATV Basic and have reduced the price for <u>CATV Basic</u> from <u>\$11.95 to \$9.78</u>, while making it possible to order premium services and Pay-Per-View events. The channels are Impulse Marquee and Prevue Guide (on Chs. 14A and B respectively, on cable-ready TV sets only).
- The <u>franchise fee</u> (the amount we pay for the use of public rights-of-way for our cables) is not new and does not add to your total bill. It formerly had been included as part of your basic service, but now is listed separately. Before, the statement showed level of service, premium channels, remote function, and any Impulse ® Entertainment items purchased. The <u>FCC now requests us also to itemize equipment rental, sales tax, and franchise fees</u> (three per cent of CATV Basic and Satellite Services and additional outlets, and two per cent of premium service charges). That's why you see more lines and figures on your statement.
- <sup>4</sup> The home wiring maintenance fee had been included in the monthly charge for service, either CATV Basic or the Standard Satellite Service, and provided us the resources to make no-charge service calls whenever you called. Now that we must itemize all charges, this will appear as a separate fee on your statement. If you pay the home wiring maintenance fee, we will continue to make service calls at no charge. If you do not wish to pay the monthly maintenance fee, call and we will remove it from your statement. However, if you choose to cancel this service, each repair call to your home will cost \$25, unless the problem is due to wiring outside the home or to any of our electronic equipment.
- The <u>22-channel Satellite Services</u> has gone from <u>\$9 to \$10.76 per month</u>, meaning that the total monthly charge for the <u>full 42-channel</u> CATV Basic and Satellite Services (including local franchise fee of 62 cents and home wiring maintenance fee of 31 cents) has gone from <u>\$20.95 to \$21.47</u>. That 52-cent increase is brought about by the government-mandated restructuring of charges and offerings under the guidelines established nationally. You, our customers, have been enjoying lower than standard rates, but these now must be increased while other charges are reduced to bring our total fee structure in line with Washington's demands and to offset revenue being lost by the reduction in charges for additional outlets.

We have exercised <u>responsible restraint</u> in setting our fees in the past, but now must yield to the mandates of the Cable Act. While you may have heard <u>reports</u> in the <u>media about rate rollbacks averaging 10 per cent and more</u>, those <u>reports were misleading</u> in that they

failed to point out that not ALL customers would see a rate reduction -- only those who are customers of companies which have been charging more than Congress thought reasonable.

- Another major change has to do with <u>equipment charges</u>. Since we introduced our addressable Tocom converters in 1987 (a technological advancement available today to only about 40 per cent of the cable customers nationwide), we have charged nothing for the first converter, but have charged \$3 per month for the remotecontrol SERVICE. Under the law, the FCC says we cannot sell this as a service, but <u>must charge equipment rental fees</u> based upon the cost of that equipment. Thus, the monthly rental for the converter under the FCC guidelines is \$2.54, and the monthly rental for the remote-control unit is 29 cents, bringing the total monthly rental to \$2.83.
- <sup>7</sup> Since the charge now must be considered an equipment rental, as mandated by the FCC, <u>Ohio requires</u> that we <u>collect</u> and send to Columbus <u>sales tax</u> on that rental tax that was not required when we were offering the remote function as a service. Thus, the total charge is \$3.01 (\$2.83 plus 18 cents sales tax [in Lucas County] per month) for a converter and remote control. We regret that the legislation caused this charge to increase, but please realize that we do not benefit from this increase. We are powerless to do anything but collect the tax and pass it on to Columbus.
- Customers who have only the <u>converter with no remote function</u>, which had been <u>free</u>, now must pay <u>\$2.54 plus 16 cents sales tax</u>, for a total of <u>\$2.70 per month</u>. The reason is that the remote-service charge (explained above) in part covered the cost of the converter, and since the vast majority of customers with converters also took the remote, it was not necessary to charge the few who did not. Since we had to initiate a separate converter rental charge for those with remote controls, that charge, under the law, must apply to <u>all</u> customers with converters. Under the new rules, we are not permitted to waive a fee for one group of customers if we charge another for the same equipment or service.
- <sup>9</sup> <u>Premium services duplicated on converters on additional outlets</u>, which had been included with the converter fee, will be charged separately at \$4.95 per month per additional converter.

Another change on your statement is the <u>address of the office of cable affairs</u> where you may direct complaints about cable service in the franchise in which you live. The address block also contains the identifying number given to the franchise area by the FCC.

In order to help you understand the changes in your statement, we have produced an <u>informational video</u> which is shown on the hour and half hour 24 hours each day on the Impulse Marquee, 1A converter, 14A non-converter.

The Real Competitive System in the U.S.: Allentown, PA

	SERVICE ELECTRIC CABLE TV		TWIN COUNTY CABLE TV	
	NUMBER OF CHANNELS	RATE FOR BASIC (per month)	NUMBER OF CHANNELS	RATE FOR BASIC (per month)
1984	26	7.50	26	7.65
1985	27	7.50	31	8.50
1986	31	N/R	31	9.00
1987	31	N/R	31	9.00
1988	40	11.50	39	7.65
1989	40	12.95	39	7.65
1990	40	14.99	39	14.50
1991	40	14.99	39	14.50
1992	45	19.00	42	18.50
1993	45	19.00	42	18.50
CURRENT AS OF 02/08/94	49	21.50	40	21.15

<sup>\*</sup> Prices cited do not reflect any applicable taxes.

<sup>\*</sup> N/R indicates that the rate was not reported.

<sup>\*</sup> All numbers taken from Television & Cable Fact Book except current numbers which were obtained directly from cable operator.

<sup>\*</sup> Number of channels calculated according to following formula: cited channel capacity less number of channels not in use, less number of channels assigned to pay service, less number of channels set aside for pay per view.

## **CABLE COMPARISON**

Cable Company	Monthly Charge	Number of Channels
Major Cities in Ohio		
Warner - Akron	\$22.58	32
Warner - Cincinnati	27.52	41
Continental - Dayton	21.95	33
North Coast - Cleveland	22.85	49
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Nearby Suburban Systems		
Triax - Waterville, Northwood	\$23.09	41
Phoenix - Bedford Township	21.23	38
Cablevision of Midwest - Walbridge	20.95	30

## The CableSystem Comparison Buckeye Cablevision, Inc., Toledo, Ohio

## Rate History

Year	Standard Rate	Active Channels
1986	<b>\$</b> 11.95	23
1987	\$11.95	29
1988	\$14.50	35
1989	<b>\$14</b> .50	38
1990	<b>\$</b> 16.95	40
1991	\$18.95	42
1992	\$19.95	42
1993	\$20.95	42

		Pre-Reg	
Comparison	<u>1986</u>	<u>1993</u>	% Increase
Rates-Standard Service	\$11.95	\$20.95	75.3%
Channels	23	42	82.6%
Programming Costs	\$965,080	\$4,672,040	384.1%
Phone Hours Available/Week	54 hours	168 hours	211.1%
Number of Customers	103,704	119,834	15.5%

## THE CABLESYSTEM COMMITTED TO SERVING YOU

No one can be perfect. But, at The CableSystem, we strive to be very good in our service to customers, because that's what you are entitled to and deserve. As the managing executives of The CableSystem, we accept responsibility for ensuring the quality of service. If you experience any problems with The CableSystem or its people which are not resolved through the normal channels of our customer relations department at 866-9800, please write or call us (see below).

Our people are committed to offering the very best customer service. Telephone representatives answer over 600,000 phone calls annually, staffing the phones 24 hours a day, 365 days a year. Technicians make 45,000 service repair calls annually and are available 7 days a week, 365 days a year. System outages due to lightning or wind damage and electrical failures are responded to immediately day or night. Our people work hard to meet your expectations and earn your loyalty.

In addition to our commitment to you, the Federal Communications Commission has recently issued new regulations in which technical standards have been implemented. One of the regulations requires The CableSystem to inform you, our customer, who you may contact in your city, village, or township if you are dissatisfied with The CableSystem's handling of a signal quality problem which you have brought to our attention. Listed on the reverse side is the address and telephone number of the appropriate official for each city, village, or township The CableSystem serves.

Once again, no one can be perfect, but we pledge to you we will not be satisfied with the status quo. We will constantly strive to improve our service to meet your expectations.

The true measure of success is not in our minds, but in the minds of customers served.

Sincerely,

Allan Block

allan Block

Chairman of The Board 541 Superior Street

Toledo, Ohio 43660

Business:

245-6035

Home:

242-6739

David G. Huev

President and General Manager

5566 Southwyck Boulevard

David A. Husy

Toledo, Ohio 43614

866-5802

Business: Home:

885-2773



## GOVERNMENTAL CONTACT LIST

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Village of Holland
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Holland, Ohio 43528

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## Perrysburg

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## Oregon

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### Harbor View

Jack Stieben, Mayor Village of Harbor View 127 Lakeview Dr. Harbor View, Ohio 43434

#### Washington Township

Arthur Richter, Chairman Washington Twp. Trustees P.O. Box 5133 Toledo, Ohio 43611-0130

#### Svivania Township

Lucille Laskey, Chairman Sylvania Twp. Trustees 4927 Holland-Sylvania Rd. Sylvania, Ohio 43560

## Springfield Township

Loretta Keller, Clerk Springfield Township Hall 7617 Angola Rd. Holland, Ohio 43528

## Spencer Township

Thomas Soss, Chairman Spencer Twp. Trustees 630 N. Mielke Rd., P.O. Box 28 Holland, Ohio 43528

## Monciova Township

Sharon Bucher, Secretary Monclova Twp. Admin. Bldg. Monclova and Albon Roads Monclova, Ohio 43542

## Perryaburg Township

Gerald Henry, Chairman Perryaburg Twp. Trustees P.O. Box 729 Perryaburg, Ohio 43881

## Middleton Township

Fred Getz, Chairman Middleton Twp. Trustees Township Hall - P.O. Box 206 Haskins, Ohio 43525

## Erie Township, Michigan

Margaret Dusseau, Supervisor Erie Township 2060 Manhattan St., P.O. Box 187 Erie, Michigan 48133

## FCC-Mandated Customer Service Standards All standards are effective July 1, 1993

## FCC Standard Is:

## The CableSystem ™ Does:

- For us to maintain a local toll-free or collect access line 24 hours a day, 7 days a week. During normal business hours (hours during which most similar businesses are open to serve customers, and must include evening hours at least one night per week and/or some weekend hours), the phones must be staffed by trained company representatives. An answering service or machine may be used at other times, but if so, inquiries received after hours must be responded to the next business day.
- e Aiready provide a toll-free (collect to about 225 who live on the Curtice-Elmore exchange) 24 hours a day 385 days a year. We staff the phones full time with trained customer service representatives who are able to answer immediately most questions posed by callers. We DO NOT use an answering service. An answering machine answers phones when all CRRs are occupied on other calls. The average wait time of all calls is 13 seconds.
- For a trained customer service representative to be on the phone within 30 seconds after a connection is made, and that if the call is transferred, the transfer must be completed within 30 seconds. These standards must be met 90 per cent of the time, and stipulate that the phones will be busy less than three per cent of the time.
- With proper training of personnel and thus offering one-stop shopping for customers, have a policy NOT to transfer phone calls. Calls are transferred only if the customer asks for a specific CRR by name or for a supervisor. In 1993, our telephone answering standards have been met 96 per cent of the time, with an average hold time of 13 seconds. Seventy-four per cent of the calls are answered live, and the phones were busy 0 per cent of the time.
- For the customer service center and bill payment locations to be open at least during normal business hours (see above) and to be conveniently located.
- Keep our lobby at 5566 Southwyck Blvd. open from 8 a.m. to 7 p.m. Mondays through Fridays and from 8 a.m. to 4 p.m. Saturdays. The DeVeaux branch office, in the Food Town Plus store at Sylvania Avenue and Douglas Road, and the Oregon branch office, in the Food Town Plus store at 3010 Navarre Ave., are open from 1 to 7 p.m. seven days a week. Through research, we have found these hours to be most useful and convenient to our customers. In addition, bills may be paid at 18 Huntington Bank locations or at the payment drop boxes at all three offices.
- That standard installations (up to 125 feet from existing plant) will be performed within seven business days after the order is placed.
- Perform installations (up to 150 feet from existing plant) the next day if the order is placed by 5 p.m. All others are completed the following day unless the customer wishes a later schedule.
- 'Appointment windows' will be either a specific time or, at maximum, a four-hour time block during normal business hours.
- e Offer one-hour appointment windows for installations and two-hour windows for service calls. Installations are scheduled from 8 a.m. to 9 p.m. Mondays through Fridays and from 8 a.m. to 5 p.m. Saturdays. Service calls are scheduled from 8 a.m. to 9 p.m. Mondays through Thursdays, from 8 a.m. to 7 p.m. Fridays, from 8 a.m. to 5:30 p.m. Saturdays, and from 10:30 a.m. to 7 p.m. Sundays. We also offer, for a fee, exact-time appointments.
- That we begin working on service interruptions within 24 hours after the interruption becomes known, and that we begin working to correct other service problems the next business day after notification of the problem.
- Resolve all service-interruption problems within two hours, anytime day or night, sometimes with temporary solutions. We then have ALL service interruptions cleared up with permanent repairs within 24 hours.

## FCC Standard Is:

## The CableSystem Does:

- That we cannot cancel an appointment after the close of business on the day before the appointment; that if our field crews are unable to keep an appointment window, the customer must be contacted and another appointment, convenient to the customer, be scheduled. No penalty for non-compliance, in the form of credit or free installation, is spelled out
- NOT ever cancel appointments. If we cannot meet the scheduled appointment window, we contact the customer and reschedule to the customer's convenience, preisrably yet that day. Technicians are authorized to award credit to the customer in the field if we miss the appointment window.
- That we communicate with our customers at least annually concerning products and services, prices and options, installation and service policies, instructions on use of services and equipment, channel positions, and billing and complaint procedures.
- Routinely inform our customers of any such changes, and that practice will continue to conform to the new law. In addition, each year a letter goes to all customers over the signatures of both the president and chairman of the board listing both their home telephone numbers, and saiding the customer to call either at home if the subscriber has a problem which has not been resolved through normal channels.
- For us to notify customers at least 30 days in advance of any changes in rates, programming, or channel positions.
- Mailings in advance of any such changes. In addition, we also notify government officials of any changes which might result in questions to them from their constituents.
- That our bills be clear, concise, understandable, and fully itemized. In case of a billing dispute, we must respond to a written complaint within 30 days.
- Send out clear, concise, understandable, and itemized statements, and has for some time. We act upon any dispute upon receipt of a written query. If the issue can be resolved immediately, it is and the customers is called or sent a letter that same day. If the dispute will require extensive research, the customer immediately is sent a letter to that effect, then is notified immediately upon resolution, usually within two weeks.
- That we issue refund checks no later than (1) the customer's next billing cycle following resolution of the request, or (2) 30 days, whichever is earlier, or the return of the equipment supplied, in the event of termination of service.
- Issue refund checks automatically twice monthly or upon request from a customer. In addition, we empower all customer relations representatives to authorize credits or refunds, eliminating the need for the customer to talk to several isvels of supervisors.



August, 1993

Dear Customer.

We at The CableSystem have pledged to keep our subscribers fully informed about developments related to implementation of the Cable Television Consumer Protection and Competition Act of 1992 and to communicate at the earliest time any necessary changes resulting from FCC implementation of the new law. The purpose of this letter is to tell you about complex changes in your bill.

Some bills will go up while others go down, but overall, under the new FCC regulations, our average customer bill will decrease. Customers with additional outlets will see the greatest savings.

The FCC rate regulations are scheduled to go into effect on Sept. 1, and on that date the following monthly rate changes will be implemented:

- I. Additional outlets will go from \$2.50 to no charge!
- III. CATV Basic will drop from \$11.95 to \$9.78.
- III. A separate home-wiring maintenance fee of 31 cents per home, which had been a part of the service fee, now will be charged separately.
- IV. Satellite Services will increase from \$9 to \$10.76.
- V. The remote control service charge of \$3 will be changed to a remote rental charge of 29 cents and a converter rental charge of \$2.54 plus tax.
- VI. The charge for an additional converter will drop from \$8.95 to \$2.54 plus tax.
- VII. There will be a new charge of \$4.95 each for duplication of premium service(s) on the second and subsequent converters. Premium service prices will be unaffected.

For complete explanations of each of these and other price changes, please read the accompanying explanation sheets. Each of these changes is numbered the same on the yellow sheet. If you still have questions, please call our customer relations representatives at **866-9800**. We answer our phones 24 hours a day. Please be understanding at this time, as a heavy volume of telephone calls about this confusing issue might result in temporary delays in telephone response.

What is our feeling at The CableSystem about the price changes? Obviously, we don't like them because they create confusion among all our customers -- and they will reduce our total revenue. Furthermore, the legislation essentially limits future rate increases to the Gross National Product-Price Index, leaving nothing for investment in new technology or expansion.

We feel our rates over the years have been fair. Every other major city in the state has had higher rates. We have always tried to practice restraint and set reasonable rates. We are making our very best effort to comply with the law and to make its impact on you as minimal as possible, while offering you all the advantages due you under the regulations.

Sincerely,

Allan Block

Chairman of the Board 541 Superior Street

Toledo, Ohio 43660 Business: 245-6035 Home: 242-6739 David G. Huev

President and General Manager

5566 Southwyck Boulevard Toledo, Ohio 43614

Business: 866-5802 Home: 885-2773 The Cable Television Consumer Protection and Competition Act of 1992 requires us to notify customers of changes in channel line-up at least 30 days before they occur. Another portion of that law, the retransmission-consent section, stipulates that we must have written permission from the local broadcast television stations to continue carrying them after Oct. 6.

We have written agreements with the four Toledo stations (WTOL Ch 11, WTVG Ch. 13, WNWO Ch. 24, and WUPW Ch. 36) to extend that deadline to Dec. 31, 1993, so those will remain on at least through 1993. We are negotiating with the four Detroit stations (WJBK Ch. 2, WDIV Ch. 4, WXYZ Ch. 7, and WKBD Ch. 50), but have no agreements, so any one or all might withhold permission for us to carry them after Oct. 6.

If so, under the law we have no recourse but to take off the system any who refuse to permit us to carry them. We continue to negotiate with them, and hope they will not withhold permission, just as we hope the Toledo stations do not withhold permission in December, but in order to comply with the new law, we must send you this notification.

We will continue to carry the public broadcast stations, WGTE-TV 30, and WBGU-TV 27, under provisions of the Cable Act.

Compliance with the retransmission-consent portion of the law will render it prohibitively expensive and operationally complicated to continue to carry the FM stations on the A cable. Thus, effective Oct. 6, we no longer will provide this service. We regret that we must take this step.

# Comparison of Old, New Rates Under The Cable Television Consumer Protection and Competition Act of 1992

	Item or Service Category	Old Rate	New Rate
I.	Additional outlet 1 (AO) with no converter	\$2.50	\$0.00
	Total Monthly Fee: AO, no converter	\$2.50	\$0.00
Π.	CATV Basic <sup>2</sup> (See notes on adjacent sheet) Franchise Fee <sup>3</sup>	\$11.95 Included in Above	<b>\$</b> 9.78
Ш.	Home Wiring Maintenance Fee 4	Included in Above	<b>\$</b> .31
	Total Monthly Fee: CATV Besic	<u>\$11.95</u>	\$10.38
IV.	CATV Basic Satellite Services (not available separately) <sup>5</sup> Franchise Fee <sup>3</sup> Home Wiring Maintenance Fee <sup>4</sup>	\$11.95 \$9.00 Included In Above Included in Above	\$9.78 \$10.76 \$ .62 \$.31
	Total Monthly Service Fee: CATV/Setellite S	iervices \$20.95	\$21.47
V.	Remote Control <sup>6</sup> Tocom Converter <sup>6</sup> Ohio Sales Tax <sup>7</sup>	\$3.00 Included in Above No Charge	\$ .29 \$2.54 \$ .18
	Total Monthly Fee: converter, remote	<u>\$3.00</u>	\$3.01
	Tocom Converter, no remote <sup>8</sup> Ohio Sales Tax <sup>7</sup>	No Charge No Charge	\$2.5 <b>4</b> \$ .16
	Total Monthly Fee: converter, no remote	No Charge	\$2.70
	Remote function only, use own remote Tocom Converter <sup>6</sup> Ohio Sales Tax <sup>7</sup>	\$3.00 Included in Above No Charge	No Charge \$2.54 \$ .16
	Total Monthly Fee: converter, remote function	<b>\$3.00</b>	\$2.70
VI.	Additional outlet, converter and remote Additional outlet <sup>1</sup> Converter <sup>6</sup> Remote <sup>6</sup> Ohio Sales Tax <sup>7</sup>	\$8.96 Included in Above Included in Above \$3.00 No Charge	\$0.00 \$2.54 \$ .29 \$ .18
	Total Monthly Fee: AO. converter, remote	\$11.95	<u>\$3.01</u>
VII.	Converter 6 on additional outlets with premium service	\$8.95	\$2.54
	Each AO converter authorized for any premium service available on primary outlet <sup>9</sup> Additional Outlet <sup>1</sup> Franchise Fee <sup>3</sup> Ohio Sales Tax <sup>7</sup>	Included in Above Included in Above Included in Above No Charge	\$4.95 \$0.00 \$ .15 \$ .16
	Total Monthly Fee: AO with premium service	\$8.95	\$7.80

#### RESIDENTIAL RATE CARD - EFFECTIVE 9-1-93

		Installation	Month
Standard Service			
Gutside Connection		\$17.85	320,54
nside Winng-each putiet		17 85	20 54
-CATV BOXIC			
Outside Connection		30.85	9.78
inside Witing-each outlet		17.85	9.78
-Satelite Channels		•	10.76
Home Wring Maintenance		0	0.31
Standard Service-Apartment installation		11.90	20 54
Reconnect-non-pay disconnect		27.85	20.54
Non-payment Collection Fee		15.00	
Equipment Rental: (State sales tax will be added)			
Tocom Converter			2 54
CableSystem Controller Remote			0.29
Additional Outlet-separate trip. (Additional Outlet might require amplifiers.	)	26.75	Э
Outlet Relocation-of time of install		17.85	
Outlet Relocation-separate trip		26.75	
VCR (01 Hook-up		17.85	a
Prewire Charge-1st outlet		35.65	
-each additional outlet		17.85	
Wall Fish		17.85	
Picture in Picture-at time of Install		17.85	
Ploture in Ploture-separate trip		26.75	
Extension Cable-picked up in lobby	•	11.85	
Extension Cable-delivered		20.00	
Exact Time install		15.00	
Miscellaneous trip to home		17.85	
Inside Wiring Repair Call-with maintenance agreement		0	
-without maintenance agreement		25.00	
Bury Drop-customer option		35.65	
Returned Check Fee		10.00	
*not available separately			
Impulse Entertainment (Monthly Guide Included)			
Impulser Installation		25.00	0
Impulser Movie		3.95	
Impulse 800 Movis	The state of the s	4.95	
Pramium Service Rates (Monthly Guide included)			
Upgrade (A) Page (A)		5.00	
Switch Services		5.00	
Monthly Charges			
-Showlime, PASS, Disney Channel			8.95 ea.
-Movie Channel	president (1904 et est.) - 1100 de Recupito		9.95
<b>++80</b> ** (			
-Premium Service Pass through on each additional converter		item tika memori dan Italian Kalifan. Tanggar	4.95
Packaging Prince for Additional Sevinas			4.70
Value Valor-Standard Service, Converter and Remote Renick, Showlime,	Movie Channel Daney Ct	conet	40.32
Value Visionii - PASS not Disney Channel	moine demandation of	The Company of the Co	40.32
Volue Vision: Pital-1886; Disah: PMSS & Densy: Charmel			
2 Premium Services			14,95
3 Premium Services			20.95
	nakan di kacamatan dari dari kacamatan dari kacamatan dari kacamatan dari kacamatan dari kacamatan dari kacama	carcologotti (17. saprinos 2003) - (1. 2000) didicio (2007) (1. 1. 1. 1. 1.	ALVI

A payment of installation charges plus the first month of service and picture ID is required for all new subscribers of The CableSystem at the time of install.

50% discount on installation charges for Golden Buckeye card holders.

A franchise Fee is charged for CATV Basic, Saleille Channels, and Premium Services.

Prices apply only to normal installations within 150' of existing cable plant. Other conditions might require additional charges.



## **Explanatory Notes**

- The additional outlet charge has been a part of our fee structure since the founding of this company in 1966. We believe it has been fairly priced, and increases have not even kept pace with inflation. However, under the new FCC rules, it is not permissible to continue charging the additional outlet fee. Part of the cost of maintaining the system had been covered by the revenue generated by the additional outlet fee.
- <sup>2</sup> In order to comply with the guidelines established by the FCC, we have moved two channels from the Satellite Services to be included in the CATV Basic and have reduced the price for <u>CATV Basic</u> from <u>\$11.95 to \$9.78</u>, while making it possible to order premium services and Pay-Per-View events. The channels are Impulse Marquee and Prevue Guide (on Chs. 14A and B respectively, on cable-ready TV sets only).
- The <u>franchise fee</u> (the amount we pay for the use of public rights-of-way for our cables) is not new and does not add to your total bill. It formerly had been included as part of your basic service, but now is listed separately. Before, the statement showed level of service, premium channels, remote function, and any Impulse ® Entertainment items purchased. The <u>FCC now requests us also to itemize equipment rental, sales tax, and franchise fees</u> (three per cent of CATV Basic and Satellite Services and additional outlets, and two per cent of premium service charges). That's why you see more lines and figures on your statement.
- <sup>4</sup> The home wiring maintenance fee had been included in the monthly charge for service, either CATV Basic or the Standard Satellite Service, and provided us the resources to make no-charge service calls whenever you called. Now that we must itemize all charges, this will appear as a separate fee on your statement. If you pay the home wiring maintenance fee, we will continue to make service calls at no charge. If you do not wish to pay the monthly maintenance fee, call and we will remove it from your statement. However, if you choose to cancel this service, each repair call to your home will cost \$25, unless the problem is due to wiring outside the home or to any of our electronic equipment.
- The <u>22-channel Satellite Services</u> has gone from <u>\$9 to \$10.76 per month</u>, meaning that the total monthly charge for the <u>full 42-channel</u> CATV Basic and Satellite Services (including local franchise fee of 62 cents and home wiring maintenance fee of 31 cents) has gone from <u>\$20.95 to \$21.47</u>. That 52-cent increase is brought about by the government-mandated restructuring of charges and offerings under the guidelines established nationally. You, our customers, have been enjoying lower than standard rates, but these now must be increased while other charges are reduced to bring our total fee structure in line with Washington's demands and to offset revenue being lost by the reduction in charges for additional outlets.

We have exercised <u>responsible restraint</u> in setting our fees in the past, but now must yield to the mandates of the Cable Act. While you may have heard <u>reports in the media about rate rollbacks averaging 10 per cent and more, those reports were misleading</u> in that they